

Market Commentary:

- The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 2-3bps higher while belly tenors and 10Y traded 3bps higher.
- Flows in SGD corporates were moderate, with flows in AIA 3.58% '35s, LLCAU 3.9%-PERP.
- As per Bloomberg, Dalian Wanda Group Co., Ltd.'s commercial real estate unit is seeking a two year extension on its USD400mn bond.
- Meanwhile, Chinese developer KWG Group Holdings Ltd's winding-up hearing in Hong Kong has been adjourned to 09 March.
- Additionally, New World Development Co Ltd will defer payments on USD500mn and USD1bn perpetual securities to their next scheduled distribution dates.
- In other news, Yuexiu Property Co Ltd secured a RMB200mn-equivalent dual-currency offshore term loan with a 364-day tenor.
- In ratings, S&P revised Xiaomi Corp's outlook to positive and affirmed its 'BBB' rating while Genting Berhad's issuer rating has been downgraded by Moody's to Baa3 from Baa2, with the outlook revised to stable from watch negative.
- Bloomberg Asia USD Investment Grade spreads traded flat at 61bps and Bloomberg Asia USD High Yield spreads tightened by 2bps to 373bps respectively. (Bloomberg, OCBC)

Credit Summary:

- **Singapore Post Ltd ("SingPost"):** SingPost is increasing regular domestic mail rates by SGD0.10 with effect from 01 January 2026. The new rates for standard regular and large mail will be SGD0.62 and SGD0.90 respectively.
- **BNP Paribas SA ("BNPP"):** BNPP has reportedly agreed to sell its 25% stake in Belgium insurer AG Insurance to its parent Ageas. Ageas will pay EUR1.9bn while BNPP will invest EUR1.1bn in Ageas to increase its stake to 22.5% from 14.9%.

Credit Headlines**Singapore Post Ltd ("SingPost")**

- SingPost is increasing regular domestic mail rates by SGD0.10 with effect from 01 January 2026. The new rates for standard regular and large mail will be SGD0.62 and SGD0.90 respectively.
- SingPost view the increase as necessary to balance the structural costs of domestic mail operations and maintain reliable services amid the ongoing structural decline in mail volume and rising operational costs. Additionally, it will enable SingPost to continue investing in its modernisation efforts to enhance customer experience and improve operational efficiency.
- As a recap, SingPost reported its 1HFY2026 results for the period ending 30 September 2025 on 10 November 2025. 1HFY2026 domestic letter mail and printed papers volume saw a decline of -8.11% y/y to 162.8mn items while revenue fell -5.5% y/y to SGD102.2mn. This segment contributes to ~54% of the group's revenue. (Company, OCBC)

BNP Paribas SA ("BNPP")

- BNPP has reportedly agreed to sell its 25% stake in Belgium insurer AG Insurance to its parent Ageas. Ageas will pay EUR1.9bn while BNPP will invest EUR1.1bn in Ageas to increase its stake to 22.5% from 14.9%.
- The transaction is expected to result in a net capital gain after tax of EUR820mn in 2026 for BNPP and lift its CET1 ratio by 5 basis points. While marginally credit positive from a business and financial perspective, there is no impact on our fundamental views of BNPP. (Bloomberg, OCBC)

New Issues:

Date	Issuer	Description	Currency	Size (mn)	Tenor	Final Pricing
08 Dec	Minmetals Capitals & Securities Inc (guarantor: China Minmetals Corp)	Subordinated, Fixed, Perpetual	USD	600	PerpNC5	4.35%
08 Dec	Minmetals Capitals & Securities Inc (guarantor: China Minmetals Corp)	Subordinated, Fixed, Perpetual	USD	600	PerpNC3.5	4.25%

Mandates:

- Chengdu Xingcheng Investment Group Co., Ltd. may issue USD-denominated senior bonds.

Key Market Movements

	9-Dec	1W chg (bps)	1M chg (bps)		9-Dec	1W chg	1M chg
iTraxx Asiax IG	64	-3	-2	Brent Crude Spot (\$/bbl)	62.3	-0.2%	-2.1%
				Gold Spot (\$/oz)	4,182	-0.6%	1.6%
iTraxx Japan	56	-1	-1	CRB Commodity Index	301	-0.4%	0.2%
iTraxx Australia	63	-3	-5	S&P Commodity Index - GSCI	556	0.1%	0.4%
CDX NA IG	51	0	-1	VIX	16.7	-3.4%	-12.7%
CDX NA HY	107	-0	0	US10Y Yield	4.17%	8bp	7bp
iTraxx Eur Main	53	1	-1				
iTraxx Eur XO	256	0	-5	AUD/USD	0.664	1.2%	1.6%
iTraxx Eur Snr Fin	57	0	-1	EUR/USD	1.164	0.2%	0.8%
iTraxx Eur Sub Fin	97	-0	-1	USD/SGD	1.298	-0.1%	0.4%
				AUD/SGD	0.862	-1.2%	-1.2%
USD Swap Spread 10Y	-41	1	1	ASX200	8,586	0.1%	-2.1%
USD Swap Spread 30Y	-71	0	2	DJIA	47,739	1.0%	1.6%
				SPX	6,847	0.5%	1.7%
China 5Y CDS	42	-3	1	MSCI Asiax	904	1.0%	0.0%
Malaysia 5Y CDS	38	-2	-2	HSI	25,423	-2.6%	-3.1%
Indonesia 5Y CDS	72	-2	-3	STI	4,508	-0.7%	0.4%
Thailand 5Y CDS	40	-3	-1	KLCI	1,609	-1.3%	-0.6%
Australia 5Y CDS	11	-1	-0	JCI	8,647	0.3%	3.0%
				EU Stoxx 50	5,726	1.0%	2.9%

Source: Bloomberg

Macro Research

Selena Ling
Head of Research & Strategy
lingssselena@ocbc.com

Tommy Xie Dongming
Head of Asia Macro Research
xied@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau Economist
cindyckeung@ocbc.com

Herbert Wong
Hong Kong & Taiwan Economist
herberhtwong@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
lavanyavenkateswaran@ocbc.com

Ahmad A Enver
ASEAN Economist
ahmad.enver@ocbc.com

Jonathan Ng
ASEAN Economist
jonathannq4@ocbc.com

Ong Shu Yi
ESG Analyst
shuyionq1@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong
FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong
Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee
Credit Research Analyst
mengteechin@ocbc.com

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